

**STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL REVIEW COMMITTEE NOTES
NOVEMBER 2011**

Date: November 10, 2011

To: All Civil Service/Exempt Departments

From: State Controller's Office
Cindy Rounds, Manager
Lina Ayala, Manager
Personnel/Payroll Operations
(916)445-6983/323-2539

Re: PERSONNEL/PAYROLL REVIEW COMMITTEE NOTES

The Personnel/Payroll Review Committee (PPRC) has merged with the Transaction Supervisors Forum. For information and schedule for the Transaction Supervisors Forum please contact:

Dana Williams
Acting Branch Chief
Transactions Services
Division of Human Resources
Department of Transportation
(916) 227-7696
Dana_Williams@dot.ca.gov

This recaps the November 10, 2011 PPRC meeting.

We would like to thank those department representatives that participated in the November meeting for their time and effort. There were 26 representatives from 18 departments that participated in this meeting.

Departments Represented:

California Housing Finance Agency, Child Support Services, Developmental Services, Employment Development Department, Environmental Health Hazard Assessment, Fish and Game, Food & Agriculture, Forestry and Fire Protection, Franchise Tax Board, Justice, Mental Health, Motor Vehicles, Secretary of State, State Controller's Office, State Teacher's Retirement System, State Treasurer's Office, Transportation, Water Resources.

Cindy Rounds called the meeting to order at 1:30 p.m.

New Business:

Agenda Items

**STATE CONTROLLER'S OFFICE
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NOVEMBER 2011**

Speakers
SCO Update
Department Issues/Concerns

Speakers:

Cindy Rounds:

Reminders:

If you're submitting an adverse action package, the stipulation should not be faxed back to back. Please fax all documents single sided. If they are faxed back to back they will be returned and we will cancel the PAR. You also need to include the State Personnel Board letter with the copy we get.

If we are calling you about a PAR, please return our calls quickly. We will only wait 24 hours for a return call, and then we cancel the PAR and return it to you. Last year, we were holding documents for weeks and calling departments two or three times. We won't do that this year. This is a policy we have to stick to in order to ensure documents are processed in a timely manner. Be careful to complete your documents accurately and completely so that we won't have to call you.

Disability Unit Items:

If there is a mid-month position number change, work each position in the package separately. If there's a mid-month change give us a separate document for each position for which you are requesting pay.

Due to the high volume of incoming calls and documents that we receive during currents we're returning incorrect current documents with a PR250 Payroll Irregularity Notice and will not make phone calls first.

During the last three Green Cycle days, the only calls the Disability Liaison is taking are current related. Hold all your other calls until after those Green Cycle days.

Reminder, late currents are keyed 5 cycle days after the last Green Cycle.

We're still receiving a lot of faxed documents each day; please remember we only accept faxed documents for the current pay period in the Disability Unit. Please only fax current documents.

Retirement Unit Items:

We are asking you to use the Alternate Retirement Program (ARP) [Eligibility Worksheet](#) on DPA's website to confirm what the retirement code should be on your appointments.

**STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL REVIEW COMMITTEE NOTES
NOVEMBER 2011**

We are still receiving a lot of incorrect retirement appointments and we have to research to correct them. We ask that you please use the website to verify that you are getting your new hires in the correct retirement account.

When we send you a PSD40 saying that something is wrong with the retirement; Employment History needs to be corrected as soon as possible. We are working with CalPERS trying to correct error messages and clean up our system so everything goes through the new CalPERS process correctly. If we don't get a correction within a week we will call the Human Resources supervisors.

Early Reminder:

Tax Exemption Letters are going out the end of December for any employees you have with a tax exempt filing status. A new EAR has to be keyed between January 1, 2012 and February 14, 2012. A common error in this process is when departments key the new EAR at the end of December. The payroll system does not recognize that as the new EAR for the new year. On February 15, 2012, anyone with a tax exempt filing status who hasn't had a new EAR keyed between January 1, 2012 and February 14, 2012, will automatically be changed to the tax filing status of single and zero.

We will not process hardship tax refunds. If an employee did not file a new EAR or if their EAR was not keyed in the required time frame, we will not refund their taxes. Last year we got a lot of calls from upset employees, so please be aware when those letters and listings come out and follow up with your employees to update their EAR. Normally, the listing and letters are mailed the last week of the year.

(NOTE: ALTHOUGH THE FOLLOWING IS INCLUDED, AS DISCUSSED AT THE MEETING, SCO CONFIRMED WITH CALPERS THAT THEY ARE NOT INSTRUCTING DEPARTMENTS TO DO THIS. CALPERS BELIEVES THIS MUST HAVE BEEN A MISUNDERSTANDING)

One last thing, we are being told by departments that for their retiring employees CalPERS Call Center is suggesting that you key a S01 instead of S70 and have the employee enroll in COBRA so they will have benefits because CalPERS is so far backlogged in retirement processing. I cannot tell you to do that.

At the Controller's office we can tell you to follow the PAM. I don't know all the repercussions if you put somebody on an S01 and then they have to pay COBRA for their benefits. If they need their benefits, I would assume then as soon as their COBRA benefits kicked in you could key the S70 to at least get the separation going and the person would continue to pay. They would get their money back from CalPERS later. We are seeking more information from CalPERS. From the Controller's standpoint, if someone is retiring you should retire them. Also, I believe if you do an S01 you have to ask the employee for a letter of resignation. I am not sure how many retiring employees will want to do a letter of resignation.

**STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL REVIEW COMMITTEE NOTES
NOVEMBER 2011**

We have about 12 staff at CalPERS now working on error messages. We have a lot of one time errors so once we fix them we won't have to fix them again. Correcting errors may take a little time but things will get smoothed out.

Question:

In the last PPRC Meeting Notes it said the departments no longer need to submit a STD. 666?

Answer:

Departments should continue to reconcile their payroll and submit a STD. 666 to redeposit warrants, if applicable. The Master Certification Process (MPC) has changed so that if you see the redeposit has worked on the payroll history system; Departments may MPC and key via PIP an ETC to generate pay. Please refer to Payroll Letter 11-012 dated August 10, 2011 http://www.sco.ca.gov/Files-PPSD-Letters/Payr/2011_p11-012.pdf

Question:

When are the direct deposit forms supposed to be out?

Answer:

They are supposed to be out soon. DGS put a rush on it so we're hoping to see it by the end of next week but we've been told definitely by the end of the month. The current forms can be used until December 1, 2011, thereafter; the new form must be used.

Direct Deposit / Money being sent outside of the U.S.

Payroll Letter 11-017 regarding international ACH transactions says if you send the "entire net" of your warrant to a bank outside of the U.S. jurisdiction; the flyer we asked you to send to employees says if you send "any" portion. Whether an employee sends all of their money outside of the U.S. or a portion of their money, we ask for a direct call from employees so we can ask them a series of questions to fulfill our due diligence. So far, we've had five calls and we don't expect to have many.

The only other calls we take are when an employee cancels their direct deposit. Everything else remains the same. If employees call us directly we refer the employee back to their HR office.

There are probably not too many active employees that are going to send their entire check to another country. To participate in direct deposit their money has to be deposited into a U.S. bank. For active employees, even if they only keep one dollar in a U.S. bank they can still have direct deposit. It's only if they transfer the entire net of

**STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL REVIEW COMMITTEE NOTES
NOVEMBER 2011**

their pay to a bank outside of U.S. jurisdiction that we cannot allow them to stay on direct deposit. We must stay in compliance with this law that went into effect on September 18, 2009.

Speaker:

Lina Ayala:

We're going to be implementing a new automated call distributor (ACD) system in January 2012. There will be a new telephone number that will be activated in January and will take the place of the following liaisons:

Direct Deposit
Personnel
Civil Service Payroll
Premium Pay
Benefits
Garnishments
Miscellaneous. Deductions
CSU Payroll
CSU Benefits
Disability
W-2
Duplicate W-2's.

The telephone number will be **(916) 372-7200**. We have a tentative implementation date of January 9, 2012. We are doing this to improve customer service.

The other liaisons; Leave Accounting, Position Control, Retirement/Social Security, Savings Bonds and State Wide Locator, will continue to use their existing phone numbers.

We will send more information as we get closer but you can monitor our Human Resources website, http://www.sco.ca.gov/ppsd_state_hr.html, for updates. We will also update CPOD and the PPM.

PPRC Meetings:

This will be our last PPRC Meeting. We're going to team up with the Department of Transportation beginning January 2012 in the Transaction Supervisor's Forum. We give out the same information in both meetings so we believe this change will be a more efficient means of communication for all of us.

The contact person at the Department of Transportation is:

**STATE CONTROLLER'S OFFICE
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NOVEMBER 2011**

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Question:

Are they still going to allow other staff to attend (those that are not supervisors)?

Answer:

Yes. If there is information that needs to be given to supervisors only, they will hold those matters for the end of the meeting or something like that. The Department of Transportation is located at 1801 30th Street. These meetings are more frequent (once a month).

You can contact Dana Williams for a schedule of the meetings. In the past the meetings have been on the third Thursday of the month.

Please visit the DPA website for other types of HR forums

Meeting was adjourned at 2:40 p.m.